



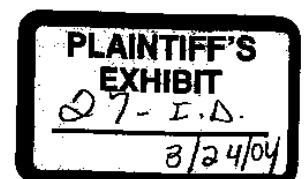
Box 670, Route 37, Hogansburg, NY 13655 (518) 358-2222 (518) 358-9722 fax

TO: GARY MELIUS  
FROM: JOHN FERRUCCI  
DATE: MAY 14, 1999  
RE: PLANE PROGRAM PROPOSAL  
FAX#: 1-516-741-8040  
#PAGES: 3 including cover

F.Y.I.



*St. Regis*  
*Marking*





VIA FAX

May 14, 1999

Frank J. Vinchiarello  
C/o Consulting Services, Inc.  
P.O. Box # 780  
Dover Plains, NY 12522

Frank,

I am in receipt of your proposal to organize a plane program for our Casino. I appreciate the effort you put into assembling all of this information. I have a few questions and issues which I would like to discuss with you before we take this project any further. I'd like to just give you the headlines now and arrange for us to talk by phone either Monday or Tuesday of next week and discuss these in more detail.

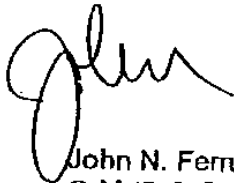
Some of the areas I would need additional information regarding are:

- I would like the names of the agents/junket reps you have identified in each of the target areas.
- The price per seat of the 19 seat aircraft is very high. I'm not anxious to sell any tour & travel packages for \$90 with a seat cost that high. Further, I'd be very disappointed in any rep who couldn't fill 19 qualified seats. If we go to the 36 seat plane, the cost comes down considerably. I would probably go for 4 or 5 package seats there.
- I need more information on how you planned the city rotation; i.e., will there be a fixed schedule for each city with enough time in between that they could adequately advertise and fill the trip.
- Will the reps be requiring an advertising allowance or do you plan to take that out of your administrative fee?

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- My definition of a qualified player is one who has an approved credit line or front money of a least \$5,000 and gives a minimum 4 hours play per day at an average bet of at least \$50. As you know this combination, based on the expenses outlined in your program proposal, does not even bring me to my theoretical break-even point. The scenarios you outlined assume that each player will play to his entire line each trip. That's not realistic unless they're false-dropping, which we would obviously like to avoid.
  - As soon as you have an idea as to what the landing fees and airport surcharges are, I'd appreciate that information.
  - I'm assuming that all of these trips are destined to land at Massena Airport. If not, please let me know since ground transfers are going to be a major expense and are not reflected in the proforma.
  - As we get closer, please remind the reps that we won't pay any commissions until the individual player's credit line has been zeroed out.
  - In the past, I have worked with junket coordinators such as yourself who got paid by the air carrier and the reps, not a direct expense to the casino. I know that you have already had some conversations about this with others. When we talk, I'll share more of my thoughts with you.
- I look forward to talking to you soon.

Sincerely,



John N. Ferrucci  
G.M./C.O.O.

Cc: Walter Horn